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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91218363
Party	Defendant Mr. Foamer, Inc.
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Submission	Motion to Dismiss - Rule 12(b)
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Date	01/31/2015
Attachments	Supplemental_Memo.pdf(193876 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Opposition No. 91218363

NEW WAVE INNOVATIONS INC.

vs.

MR. FOAMER, INC.

/

**MR. FOAMER’S SUPPLEMENTAL MEMORANDUM IN SUPPORT OF MR.
FOAMER’S MOTION TO DISMISS THE AMENDED OPPOSITION**

MR. FOAMER, INC. (“MR. FOAMER” or “Applicant”) submits this Supplemental Memorandum in Support of MR. FOAMER’s Motion to Dismiss the Amended Opposition (“Opposition”) filed by NEW WAVE INNOVATIONS, INC. (“NEW WAVE” or “Opposer”).

SUPPLEMENTAL MEMORANDUM

On December 19, 2014, the Applicant filed its Reply to NEW WAVE’s Opposition to the Motion to Dismiss the Amended Opposition (the “Reply,” Docket Entry No. 9). The Reply was filed because NEW WAVE’s Opposition to the Motion to Dismiss the Amended Opposition discussed *new grounds* in support of the Amended Opposition not previously discussed in the Amended Opposition. On January 21, 2015, NEW WAVE filed a Supplemental Response in Opposition to the Motion to Dismiss the Amended Opposition (the “Supplemental Response,” Docket Entry No. 10). Even though the Certificate of Service of the Supplemental Response stated that the Supplemental Response was served upon the Applicant’s counsel on January 21, 2015, the Supplemental Response was not served on that date but was actually served on the Applicant’s counsel on January 23, 2015. Thus, the filing of this Supplemental Memorandum which amounts to a supplemental reply to the Motion to Dismiss the Amended Opposition is timely per 37 C.F.R. 2.127(a).

This Supplemental Memorandum will address the arguments raised in the Supplemental Response by the Opposer as well as a recent development in a parallel proceeding in the United States Court of Appeals for the Eleventh Circuit (the “Court of Appeals”) that directly relates and confirms the lack of ownership of trademark rights by the Opposer in the MR. FOAMER Mark.

I. BECAUSE THE COURT OF APPEALS FOR THE 11TH CIRCUIT FOUND THAT THE OPPOSER DID NOT ESTABLISH USE OF THE MR. FOAMER MARK IN COMMERCE, THE AMENDED OPPOSITION FAILS TO STATE A CLAIM UNDER SECTION 2(D) OF THE LANHAM ACT

As recently as January 21, 2015, the Court of Appeals affirmed the finding of fact of the United States District Court for the Southern District of Florida that the Opposer lacked trademark rights in the MR. FOAMER Mark. A copy of the decision from the Court of Appeals is attached as **Exhibit “1”** to this Supplemental Memorandum (the “Decision on Appeal”). More specifically, though the Opposer had argued that the lower court erred in finding that the Opposer failed to show use of the MR. FOAMER Mark in commerce in connection with the sale of any good or service, the Court of Appeals disagreed finding that the Opposer only could establish *de minimis* or token use of the mark. (See Exh. 1, Decision on Appeal, p. 2.) The Court of Appeals particularly stated the following:

“New Wave used the mark a single time, in a Christmas card that purportedly contained a coupon; this coupon and its terms have not been entered into evidence. Thus we do not know how the coupon acted in placing Mr. Foamer in commerce. The card did not infer that New Wave had a new name or was marketing a product with the name Mr. Foamer; it was a cartoon character of one of its products in a Santa hat with a greeting attached. As such, it was a *de minimis* use of the mark. Thus, New Wave has not established trademark ownership rights.”

(See Decision on Appeal, Exh. 1, p. 4.) Thus, upon review of the New Wave Christmas card, the Court of Appeals found that the Opposer did not establish trademark ownership rights of the MR. FOAMER Mark.

Importantly, the Opposer previously relied exclusively upon the Christmas card referred to by the Court of Appeals in Opposer’s trademark application for the mark MR. FOAMER,

Application Serial Number 86/304,665 (the “Opposer’s Word Mark”). The trademark examiner in examining the Opposer’s Word Mark application, however, rejected the Christmas card as a specimen sufficient to demonstrate use in commerce by the Opposer of the MR. FOAMER mark. The Court of Appeals, too, appears to have found that the Christmas card failed to demonstrate use because the Christmas card did not infer that the Opposer’s company had a new name or was marketing a product with the name “Mr. Foamer.” Thus, it seems that the Court of Appeals and the trademark examiner both agree that the Christmas card does not show use of the MR. FOAMER mark in commerce by the Opposer in connection with services or goods. Rather, as explained by the Court of Appeals, the term MR. FOAMER as used in the Christmas card “was a cartoon character of one of [the Opposer’s] products in a Santa hat with a greeting attached. As such, it was a de minimis use of the mark.”

As a consequence, the Opposer fails to state a claim under Section 2(d) of the Lanham Act because the Opposer fails to establish ownership rights and use of the MR. FOAMER mark in commerce. The Amended Opposition should be dismissed for failure to state a claim under Section 2(d) of the Lanham Act.

II. BECAUSE THE SUPPLEMENTAL RESPONSE DOES NOT SHOW USE OF THE MR. FOAMER MARK IN COMMERCE BY THE OPPOSER, THE AMENDED OPPOSITION STILL FAILS TO STATE A CLAIM UNDER SECTION 2(D) OF THE LANHAM ACT

As explained in the Motion to Dismiss the Amended Opposition, the USPTO issued an office action in the Opposer’s Word Mark application in which the USPTO rejected the registration of the Opposer’s Word Mark because the specimen filed with the application did not show use in commerce of the mark in connection with any of the services specified in the application, and the USPTO requested that the Opposer submit a substitute specimen, if any.

Recently, on January 20, 2015, the Opposer filed a response to the office action (the “Response to the Office Action”) which was submitted to the Board by the Opposer on January 21, 2015 as an exhibit to the Opposer’s Supplemental Response. (Docket Entry No. 10.) In the Supplemental Response, the Opposer explained that the Response to the Office Action included a substitute specimen (the “Substitute Specimen”) along with an explanation of its content and the Opposer requested that the Amended Opposition be supplemented with the Response to the Office Action. The Substitute Specimen, however, remains deficient and does not show use of the mark MR. FOAMER in connection with the offering for sale of the services applied for in the Opposer’s Word Mark application.

In fact, the Substitute Specimen consists of the same Christmas card which had been originally submitted with the Opposer’s Word Mark application as well as a new one page document consisting of a gift certificate. As to the Christmas card, the Court of Appeals and the USPTO in the first office action both found that the Christmas card was not a proper specimen of use of the MR. FOAMER mark and that the Christmas card failed to show use of the MR. FOAMER mark in connection with any services or goods. As to the new one page document included in the Substitute Specimen, the Opposer described this one page document as a discount coupon to purchase the Opposer’s commercial car wash products, and Opposer argued that the Substitute Specimen showed a direct connection between the MR. FOAMER Mark and the Applicant’s services “the distribution of commercial car wash products.” (See Supplemental Response, p. 4, para. 2.) Of importance, the Opposer’s applied-for services are not “distribution of commercial car wash products” as alleged by the Opposer, but instead are “online retail store services featuring car wash equipment and parts thereof.”

Here, the Opposer’s argument that the inclusion of the coupon as part of the Christmas card as shown in the Substitute Specimen manifests a direct connection between the MR. FOAMER mark and the Opposer’s applied for services is not convincing. As to the Christmas card, the only place

where the term MR. FOAMER appears is as part of a Christmas greeting: “Christmas wishes from Mr. Foamer.” As to the gift certificate, it does not refer to the term MR. FOAMER at all and instead states: “this certificate entitles our valued customer to receive \$100 dollars off any order of \$500.00 dollars or more. Authorized by New Wave Innovations Inc.” Thus, when reviewed collectively, the Christmas card and the gift certificate found in the Substitute Specimen do not show use of the MR. FOAMER Mark in connection with the services applied for by the Opposer in the Opposer’s Word Mark application, namely, “online retail store services featuring car wash equipment and parts thereof.” Without proof of use of the MR. FOAMER mark in connection with an online retail store, the Opposer cannot allege it owns trademark rights in the MR. FOAMER mark in connection with the services the Opposer applied for in the Opposer’s Word Mark application.

Therefore, because the Substitute Specimen filed by the Opposer in the Opposer’s Word Mark application still does not show use of the MR. FOAMER mark in connection with the Opposer’s applied for services (online retail store services), the Opposition still fails to state a claim under Section 2(d) of the Lanham Act because the Opposer failed to establish use of the MR. FOAMER mark in commerce and priority of use of the MR. FOAMER mark in commerce. The Amended Opposition should be dismissed for failure to state a claim under Section 2(d) of the Lanham Act.

WHEREFORE, the Applicant respectfully requests that the Board dismiss the Opposition as the Opposition fails to state a claim upon which relief can be granted.

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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Supplemental Memorandum in support of Mr. Foamer's Motion to Dismiss the Amended Opposition has been served on the Opposer New Wave Innovations, Inc. by electronic message sent to counsel for New Wave Innovations, Inc., John Faro, on January 31, 2015.

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EXHIBIT 1

[DO NOT PUBLISH]

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

No. 14-11466
Non-Argument Calendar

D.C. Docket No. 1:13-cv-22541-MGC

NEW WAVE INNOVATIONS, INC.,

Plaintiff-Appellant,

versus

JAMES MCCLIMOND,
an individual,
MR. FOAMER, INC.,
a Florida corporation,
CAR WASH EXPERTS, INC.,
a Florida corporation,

Defendants-Appellees.

Appeal from the United States District Court
for the Southern District of Florida

(January 21, 2015)

Before HULL, MARCUS, and ANDERSON, Circuit Judges.

PER CURIAM:

New Wave Innovations appeals the district court's adoption of the magistrate judge's recommendation of denial of New Wave's motion for Preliminary Injunction. New Wave argues that the court erred when it accepted the magistrate judge's finding that New Wave failed to show use of the "Mr. Foamer" mark in commerce in connection with the sale of any good or service and that New Wave could only establish de minimis or token use of the mark.

New Wave brought suit against the Appellees for trademark infringement, unfair competition/false designation of origin, unfair competition/trade dress infringement, violation of the Florida Deceptive and Unfair Trade Practices Act, and breach of confidential business relationship. It moved for a preliminary injunction, seeking to enjoin Appellees from operating any business using the name Mr. Foamer or using the name in conjunction with its business. New Wave asserts that it used the name Mr. Foamer before Appellees did and that Appellees' use of the name has caused confusion. Specifically, New Wave used the name in a Christmas card that it sent in November 2011; the card depicted a foam generator as a cartoon character and said "Christmas Wishes from Mr. Foamer." Appellees incorporated Mr. Foamer, Inc., in July 2012.

We review the district court's decision to deny a preliminary injunction for abuse of discretion. Forsyth Cnty. v. U.S. Army Corps of Eng'rs, 633 F.3d 1032, 1039 (11th Cir. 2011). We review the court's findings of fact for clear error and its legal conclusions de novo. Id. "This scope of review will lead to reversal only if the district court applies an incorrect legal standard, or applies improper procedures, or relies on clearly erroneous factfinding, or if it reaches a conclusion that is clearly unreasonable or incorrect." Schiavo ex rel. Schindler v. Schiavo, 403 F.3d 1223, 1226 (11th Cir. 2005) (per curiam).

A party seeking a preliminary injunction must establish that "(1) it has a substantial likelihood of success on the merits; (2) irreparable injury will be suffered unless the injunction issues; (3) the threatened injury to the movant outweighs whatever damage the proposed injunction may cause the opposing party; and (4) if issued, the injunction would not be adverse to the public interest." Siegel v. LePore, 234 F.3d 1163, 1176 (11th Cir. 2000) (en banc) (per curiam). "[A] preliminary injunction is an extraordinary and drastic remedy not to be granted unless the movant clearly established the 'burden of persuasion' for each prong of the analysis." Am.'s Health Ins. Plans v. Hudgens, 742 F.3d 1319, 1329 (11th Cir. 2014) (quoting Siegel, 234 F.3d at 1176).

A party who bring an action for trademark infringement must show "that its mark has priority and that the defendant's mark is likely to cause consumer

confusion.” Frehling Enters., Inc. v. Int’l Select Grp., Inc., 192 F.3d 1330, 1335 (11th Cir. 1999). Trademark rights are gained in the common law via actual prior use in commerce. Tally-Ho, Inc. v. Coast Comm. Coll. Dist., 889 F.2d 1018, 1022 (11th Cir. 1990). We have stated that, “[i]n general, uses that are *de minimis* may not establish trademark ownership rights.” Planetary Motion, Inc. v. Techplosion, Inc., 261 F.3d 1188, 1196 (11th Cir. 2001).

The district court did not abuse its discretion. New Wave used the mark a single time, in a Christmas card that purportedly contained a coupon; this coupon and its terms have not been entered into evidence. Thus we do not know how the coupon acted in placing Mr. Foamer in commerce. The card did not infer that New Wave had a new name or was marketing a product with the name Mr. Foamer; it was a cartoon of one of its products in a Santa hat with a greeting attached. As such, it was a *de minimis* use of the mark.¹ Thus, New Wave has not established trademark ownership rights and has not demonstrated substantial likelihood of success on the merits.

AFFIRMED.

¹ We reject New Wave’s reliance on the Trademark Manual of Examining Procedure for its discussion of token use in this context. The discussion in the manual is about seasonal products, not a seasonal ad campaign. New Wave’s Christmas card was not akin to “test markets, infrequent sales of large of expensive items, or ongoing shipments of a new drug to clinical investigators.” TMEP § 902.02 (citing S. Rep. No. 515, 100th Cong. 2d Sess. 44-45 (1988)).

**UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT**

ELBERT PARR TUTTLE COURT OF APPEALS BUILDING
56 Forsyth Street, N.W.
Atlanta, Georgia 30303

John Ley
Clerk of Court

For rules and forms visit
www.ca11.uscourts.gov

January 21, 2015

MEMORANDUM TO COUNSEL OR PARTIES

Appeal Number: 14-11466-CC
Case Style: New Wave Innovations, Inc. v. James McClimond, et al
District Court Docket No: 1:13-cv-22541-MGC

This Court requires all counsel to file documents electronically using the Electronic Case Files ("ECF") system, unless exempted for good cause. Enclosed is a copy of the court's decision filed today in this appeal. Judgment has this day been entered pursuant to FRAP 36. The court's mandate will issue at a later date in accordance with FRAP 41(b).

The time for filing a petition for rehearing is governed by 11th Cir. R. 40-3, and the time for filing a petition for rehearing en banc is governed by 11th Cir. R. 35-2. Except as otherwise provided by FRAP 25(a) for inmate filings, a petition for rehearing or for rehearing en banc is timely only if received in the clerk's office within the time specified in the rules. Costs are governed by FRAP 39 and 11th Cir. R. 39-1. The timing, format, and content of a motion for attorney's fees and an objection thereto is governed by 11th Cir. R. 39-2 and 39-3.

Please note that a petition for rehearing en banc must include in the Certificate of Interested Persons a complete list of all persons and entities listed on all certificates previously filed by any party in the appeal. See 11th Cir. R. 26.1-1. In addition, a copy of the opinion sought to be reheard must be included in any petition for rehearing or petition for rehearing en banc. See 11th Cir. R. 35-5(k) and 40-1 .

Counsel appointed under the CRIMINAL JUSTICE ACT must file a CJA voucher claiming compensation for time spent on the appeal no later than 60 days after either issuance of mandate or filing with the U.S. Supreme Court of a petition for a writ of certiorari (whichever is later).

Pursuant to Fed.R.App.P. 39, costs taxed against the appellant.

The Bill of Costs form is available on the internet at www.ca11.uscourts.gov

For questions concerning the issuance of the decision of this court, please call the number referenced in the signature block below. For all other questions, please call Joe Caruso, CC at (404) 335-6177.

Sincerely,

JOHN LEY, Clerk of Court

Reply to: Djuanna Clark
Phone #: 404-335-6161

OPIN-1A Issuance of Opinion With Costs